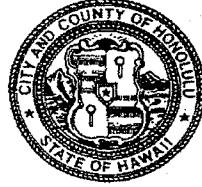


DEPARTMENT OF HUMAN RESOURCES

CITY AND COUNTY OF HONOLULU

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MUFI HANNEMANN  
MAYOR



KENNETH Y. NAKAMATSU  
DIRECTOR

February 5, 2008

The Honorable Brain T. Taniguchi, Chair  
and Members  
Committee on Judiciary and Labor  
The Honorable Carol Fukunaga, Chair  
and Members  
Committee on Economic Development and Taxation  
The Senate  
State Capitol  
Honolulu, Hawaii

Dear Chair Taniguchi and Chair Fukunaga and Members of the Committees:

I am Ken Y. Nakamatsu, Director of Human Resources, City and County of Honolulu. Senate Bill 2803, implements the recommendations of the Identity Theft Taskforce. We support the intent of this measure and are committed to working to protect the personal information of our employees and applicants. However, we offer the following comments on Section 14 of the bill.

Section 14 of the bill requires that the Central Human Resources Agency for each government jurisdiction provide guidance on practices to protect personal information. Although we support the idea of providing such guidance, we note that the bill places under our control areas that are covered by other agencies—specifically employee retirement and health benefits, and time reporting and payroll issues. We believe the agencies primarily responsible for these areas are in the best position to set standards on their documents and systems. In addition, we note that the bill requires that Human Resources establish recommended practices for information technology related areas—such as practices to secure electronic records, personal information systems, and the transmission of information over computer networks. We do not believe that Human Resources is best suited to establish recommended practices in the information technology area.

We reiterate our support of the intent of this measure.

Thank you for the opportunity to testify on S.B. 2803.

Sincerely,

A handwritten signature in cursive script that reads "Ken Nakamatsu".

KEN Y. NAKAMATSU  
Director of Human Resources

## HAWAII FINANCIAL SERVICES ASSOCIATION

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P.O. Box 4109

Honolulu, Hawaii 96812-4109

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February 5, 2008

Senator Carol Fukunaga, Chair,  
and members of the Senate Committee on Economic Development & Taxation  
Senator Brian T. Taniguchi, Chair  
and members of the Senate Committee on Judiciary & Labor  
Hawaii State Capitol  
Honolulu, Hawaii 96813

Re: **Senate Bill 2803 (Personal Information)**  
**Hearing Date/Time: Tuesday, February 5, 2008, 9:00 A.M.**

I am the attorney for the Hawaii Financial Services Association ("HFSA"). The HFSA is the trade association for Hawaii's financial services loan companies.

The HFSA supports this Bill.

The purpose of this Bill is to implement recommendations of the December 2007 report of the Hawaii Identity Theft Task Force to protect the security of personal information collected and maintained by the State and County governments. The December 2007 Report of the Identity Theft Task Force is a continuation of the work that started with the State's Anti-Phishing Task Force which was created in 2005.

I was appointed by the Senate President to be a member of the Hawaii Identity Theft Task Force as a representative of the financial services industry. I served as Vice Chair of that Task Force. I was also a Senate President appointee of the predecessor Anti-Phishing Task Force.

The members of the Identity Theft Task Force agreed that much needs to be done within the State and County governments to protect people's personal information that exist in government records. For example, social security numbers and other personal information are easily available to the public in the Judiciary's court files and at the Bureau of Conveyances. The Report's recommendations address these concerns. Safeguarding the personal information of our citizens needs to be given a high priority.

I offer 2 technical suggestions:

1. Page 14, line 17: "mange" should be "manage", and
2. Page 14, line 21: "Physical safeguards" should be "Physical security standards" to be consistent with the reference on line 3 on the same page.

Thank you for considering this testimony.

*Marvin S.C. Dang*

MARVIN S.C. DANG

Attorney for Hawaii Financial Services Association

(MSCD/hfsa)

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Members: American General Financial Services of Hawaii, Inc./American International Group • Beneficial Hawaii, Inc./HSBC North America • CitiFinancial, Inc./Citigroup • House of Finance, Inc. • Kauai Island Finance, Inc. • Maui Industrial Loan & Finance Company, Inc. • Safety Loan Company, Ltd. • Wells Fargo Financial Hawaii, Inc./Wells Fargo Financial, Inc.